2 August 2016

MINING SET TO COMMENCE IN SEPTEMBER AT SECOND COAL OPERATION, NCC

Universal Coal Plc (ASX: UNV) ("Universal") has commenced refurbishment of the Coal Handling and Processing Plant (CHPP) at NCC in anticipation of commencement of processing thermal coal in September 2016. NCC will become Universal's second coal operation following its Kangala Colliery, which recorded run-of-mine coal in excess of 3.2Mt last financial year.

Ingwenya Mineral Processing (Pty) Ltd has been nominated as the on-site CHPP contractor responsible for the recommissioning and future operation of CHPP requirements at NCC.

Below, the CHPP at NCC set to deliver coal product

Mining operations will commence in September 2016 at the Diepspruit shaft area in line with timing of the CHPP recommissioning process.

the Diepspruit shaft

Weighbridge infrastructure has already been installed in anticipation of coal product flows before the end of the 2016 calendar year.

Negotiations with potential off-take partners, including Eskom are reaching an advanced state with final assessment and selection of nominated off-taker to occur shortly.

Funding of the return to operations of NCC will initially be covered on an equity basis from existing cash reserves. However, discussions continue with existing debt providers for the enlarged Universal Coal Group.

Universal will keep the market abreast of further developments in this regard

Tony Weber, CEO of Universal Coal will be conducting investor roadshows in Australia from 9 to 16 August 2016 and an updated investor presentation will be released to the market by 9 August 2016.

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